

JPRS 74069

23 August 1979

# Mongolia Report

No. 317

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REPORT DOCUMENTATION PAGE		1. REPORT NO. JPRS 74069	2.	3. Recipient's Accession No.
4. Title and Subtitle MONGOLIA REPORT, No.317				5. Report Date 23 August 1979
7. Author(s)				6.
9. Performing Organization Name and Address Joint Publications Research Service 1000 North Glebe Road Arlington, Virginia 22201				8. Performing Organization Rept. No.
10. Project/Task/Work Unit No.				11. Contract(C) or Grant(G) No.
				(C) (G)
12. Sponsoring Organization Name and Address  As above				13. Type of Report & Period Covered
15. Supplementary Notes				14.
16. Abstract (Limit: 200 words)  This serial report contains articles and radio coverage on political, government, sociological, economic, and technical developments in Mongolia, as reported primarily in that country's publications.				
17. Document Analysis a. Descriptors  MONGOLIA Military sciences Political sciences Sociology Economics Culture (Social Sciences) Ethnology  b. Identifiers/Open-Ended Terms  c. COSATI Field/Group 5D, 5C, 5K				
18. Availability Statement Unlimited Availability Sold by NTIS Springfield, Virginia 22161		19. Security Class (This Report) UNCLASSIFIED		21. No. of Pages 22
		20. Security Class (This Page) UNCLASSIFIED		22. Price

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## SOVIET AID RAISES POWER INDUSTRY PRODUCTIVITY

Ulaanbaatar MENG-KU HSIAO-HSI-PAO in Chinese 19 May 79 p 1

[Article by Chimid: "Our Country's Power Industry and Soviet Assistance"]

[Excerpt] After the signing of Friendship Cooperation and Mutual Assistance Treaty in 1946 between the Mongolian People's Republic and Soviet Union, the First Power Station went through several expansions. In 1963 the station's generation capacity reached 36,000 kw--one of our country's [Mongolia's] major power stations. This is the fruit of our Soviet friends' selfless labor and genuine assistance.

Through selfless aid from the Soviet Union, the power generation capacity of thermal stations in 1960 rose by 4.8 times over the 1940 level. The proportion of power consumed in total industrial production doubled and the power consumption per capita went up 7.2 times, while the mean annual gain in power generation is 12.6 percent.

Through Soviet aid from 1960 to 1970, the Second Ulaanbaatar Power Station was being expanded while the first phase of construction at the Third Power Station was begun. In 1967, a power network was built in our country's central economic region, supplying electrical power to more than 10 percent of the entire country.

Via the Darhan-Erdenet high-voltage overhead line, the power systems of Mongolia were linked to the systems of Siberia and other socialist-camp countries.

The concerned power departments of the USSR have made gigantic contributions to our country's construction of its modern power bases. The power industry is expanding rapidly, becoming a prime mover for our country's socialist construction of its materials and technical foundation. In the 1978 national economic development, power generation rose six times above the 1960 level. Power generation in 1978 amounted to 1.2 billion kwh and the annual per capita consumption was 750 kwh.

More than 20 years ago, there was not a single engineer in the power industry departments. Now more than 400 engineers have graduated from higher schools and institutes; more than 70 percent of them are returned students who graduated from Soviet schools.

During the Seventh and Eighth -Year plans for national-economic growth, power consumption will increase by 2 to 3.5 times. This means that our country's power industry collective is facing an enormous challenge. Overall Soviet aid to the expansion and growth of our country's power industry is more and more abundant and colorful. This aid is directly related to the heavier power demands in our country. The aid is a form of internationalism. This is therefore the guarantee of our country's development and progress as well as of achieving victory and success.

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## MATERIAL, TECHNICAL FOUNDATION OF LIGHT INDUSTRY OUTLINED

Ulaanbaatar MENG-KU HSIAO-HSI-PAO in Chinese 19 May 79 p 2

[Article by Balajid: "Material and Technical Foundation of Our Country's Light Industry"]

[Text] With Soviet technical and economic assistance, and with the assistance of Soviet experts and other socialist countries, our country's [Mongolia's] material and technological foundation in light industry has been strengthened. Product quality and variety are increasing year by year as demands of our society and people are being met with products of suitable quality and quantity.

Because of the particular emphasis on developing light industry by our party and government, production facilities initiated included a goatskin plant with a yearly output of 1.2 million sheets, two wool scouring plants with a yearly capacity of 2,000 tons each in Dornod Aymag (1979), [as published] and Bayan-Oligiy Aymag (1970), a carpet mill with a yearly output of 350,000 square meters of carpet (1971), a processing and sewing plant with a yearly capacity of 700,000 sheets of sheepskin with finished products of overcoats (1970), and a large [animal] leather processing plant with a yearly capacity of 280,000 sheets of cattle hide (1976).

Also begun producing was a processing plant for camel's hair and fine, combed goat's hair; the plant was highly evaluated on the world market in 1977 and 1978 while the plant was in test production. Construction expansion was underway in a leather goods plant, a felt boots plant and a textile mill. To sufficiently utilize the production potentials, a newly-constructed mucilage plant and an artificial large [animal] leather-goods plant also began operating.

As a result of adequate materials and better techniques in light industry, basically animal hair and hide can be processed. Thus, the assigned challenge in the program of Mongolian People's Revolutionary Party has been met. At present, 20.4 percent of all workers are in light industry, they account for 20.6 percent of our country's total industrial output. Compared to 1940, wool scouring has increased by seven times, carpet production by four times,

leather processing by 15.9 times, leather boots by 11 times, and leather clothing by 129.6 times.

The prospect of developing light industry in our country is quite promising. Within a span of only 5 years, central scientific research laboratories were built to process hide (at the initial stage), goat's and camel's hair as well as for a knitwear plant, a leather and wook goods plant and a wool-scouring plant. Expansion was carried out in a felt and felt boots plant and a ceramics plant. A new carpet plant will be built in Erdenet City.

Light industry investments in our country went up by six times over the past 5 years.

Mongolian engineers and technicians (including professional workers) registered gains while the materials and technical foundation of light industry in our country was advanced. For example, in 1960 there were no Mongolian technical personnel who had received higher educational; by now, about 400 Mongolian technical personnel are working in these departments and more than 40 percent of them have had higher educational.

More than 70 percent of light industry workers were professionals who had graduated from vocational schools and domestic and foreign short-term [training] schools.

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CSO: 4205



## MONGOLIAN-SOVIET COOPERATION IN CONSTRUCTION OF ERDENET

Moscow EKONOMICHESKOYE SOTRUDNICHESTVO STRAN-CHLENOV SEV in Russian No 3, 1978 pp 92-95

[Interview with Sambugiyo Tsebeen, chairman of the Executive Committee of the Erdenet City Assembly of People's Deputies, and Erdenet General Director Valerian Kobakhidze: "By Joint Efforts: Erdenet in the Year of the Start-Up"]

[Text] "We all recall the 1960's, when Darhan was being created. For the times it was a very large construction project. But now in the construction of the copper and molybdenum giant in Erdenet as much capital is being assimilated in one year alone as was assimilated at Darhan in five years. The increased creative potentials of Mongolia, the new scope of our joint work and, in point of fact, a qualitatively new level of Soviet-Mongolian cooperation are reflected, as in a mirror, in this one fact."

L. I. Brezhnev

"...This combine is a major mining complex and is among the ten enterprises of this type in the world. The construction and start-up in such a short period of the large production complex, which requires not only great capital investments, but also complicated technical decisions, are becoming possible owing to the enormous efforts and support of the Soviet Union, which are aimed at the acceleration of the development and the increase of the efficiency of the MPR economy."

Y. Tsedenbal

Magnitka and the Kuzbass, Nova Huta and Kremikovitsi, Dunaujvaros and Galati, Ost and the Eastern Slovak Combine....

Each of them is a landmark in the history of the fraternal countries. Each symbolizes a step toward the achievements of today.

Today a new page is being entered in the golden chronicle of world socialism. By 26 November 1978--the 54th anniversary of the formation of the Mongolian People's Republic--the first section of the Erdenet Joint Mongolian-Soviet Copper and Molybdenum Combine will be placed into operation.

In connection with this our correspondent visited Mongolia and interviewed S. Tsebeen, chairman of the Executive Committee of the Erdenet City Assembly of People's Deputies, and Erdenet General Director V. Kobakhidze.

Sambuigiyn Tsebeen: The Pride of Our People

Question: What in brief is the history of the mining and concentration combine and the city of Erdenet?

Answer: The name of both the combine and the city in which it is located is connected with the small mountain of Erdenetiyn oboo, which is 340 km from Ulaanbaatar. Translated from Mongolian, Erdenetiyn oboo means "mountain of treasures." And this is not exaggeration. It is indeed fantastically rich in copper and molybdenum--metals which are scarce and necessary for the development of many leading sectors of the national economy. The demand for them is increasing with each year. Their industrial use is of enormous importance for our country and its economic growth.

Our partners in the Council for Mutual Economic Assistance, and above all the Soviet Union, have given and continue to give us invaluable assistance in this.

The display of copper was first discovered by Soviet geologists back in the prewar period. However, we devoted ourselves in earnest to this question in 1964. Precisely at that time a Mongolian-Czechoslovak expedition initially prospected the deposit. Then the prospecting operations were continued by Mongolian organizations. And in early 1971, at the request of the Mongolian side, the joint Mongolian-Soviet geological expedition was set up. In a little more than a year it prospected the region in detail and established the industrial reserves of this deposit. Here the most up-to-date equipment obtained from the USSR was used.

In February 1973 Mongolia and the Soviet Union signed the first agreement on economic, scientific and technical cooperation in the development of the copper and molybdenum deposit of Erdenetiyn oboo. It called for the construction of a joint Mongolian-Soviet enterprise, as well as the granting of credit to Mongolia to cover the Mongolian share of the capital investments, which will subsequently be repaid by shipments of products.

The second agreement is dated November of the same year. The composition, conditions and procedure of the construction and operation of the joint project are specified in it.

As Comrade Y. Tsedenbal indicated, the agreement is of great importance for the development of economic cooperation between Mongolia and the Soviet Union and for the implementation of the Comprehensive Program of Socialist Economic Integration of the CEMA Member Countries. "The construction of such a large industrial complex," Comrade Y. Tsedenbal stated, "is beyond the ability of a single country, and at our suggestion it was decided to set up a joint enterprise. Its start-up will increase the economic potential of the MPR and will serve the increase of the well-being of the people. We are grateful to the CC CPSU and the Soviet Government for the great attention and concern."

Question: How are the 1973 agreements being implemented?

Answer: In conformity with these agreements the technical specifications of the entire project were prepared as soon as possible by Soviet organizations. Along with the general designer--the Moscow State Institute for the Planning of Enterprises of Nonferrous Metallurgy--about 20 specialized design, scientific research and surveying organizations, as well as 10 USSR ministries and departments took part in this work.

So that it would be clear, what enormous work was done, let us recall that the mining and concentration combine, the Salhit-Erdenet railroad, the Darhan-Erdenet superhighway, the Gusinozerskaya State Regional Electric Power Station (USSR)-Erdenet high voltage electric power transmission line, housing, cultural and everyday projects are included in the joint Mongolian-Soviet enterprise.

Their construction began in 1974. The main Soviet organization, which is building the enterprises and the city, is Med'molibdenstroy of the USSR Ministry of Industrial Construction. Honored Construction Worker of the RSFSR Anatoliy Chekashov heads it. The construction organizations of the ministries of power, nonferrous metallurgy, as well as of transport construction, the 1st and 2d Soviet general construction organizations and the Main Administration for Housing and Civil Engineering Construction in Moscow City, which are participating in the construction of the city, are performing a part of the work.

In four years they have assimilated more than half of all the capital investments intended for the building of the complex as a whole, including nearly 80 percent for the first section of the enterprise. During this time more than 340 different projects were put into operation. Among them are: the industrial base, the first section of the water main for supplying water to the city and the construction of the combine, a railroad and highway, a 220-volt electric power transmission line, a base for material and technical supply, four hot-water heaters, which yield 75 tons of steam an

hour each, and many others. The construction of the main projects of the combine has begun and is being performed successfully. Three micro-regions of Erdenet with all the municipal and everyday institutions have been completely built and put into operation. At present 32,000 people live in the city. The fourth microregion will be inhabited in 1980. At that time the number of residents of the city will exceed 50,000. In the future Erdenet will be transformed into the second largest industrial center of the country, following Ulaanbaatar. In addition to the mining and concentration combine and the major construction and production base, a carpet, a fulling and felt and a wool-scouring factory, a timber management, a wood working combine, a state farm, a technical school, institutions of culture and art and others, which will also be built with USSR technical and economic assistance, will also operate here. Owing to this the members of the families of the miners and construction workers will be able to find work in their professions.

Question: What is the significance of Erdenet for Mongolia?

Answer: It is difficult to overestimate the significance of Erdenet for our country. First, if we take 1975 as the base year, with the start-up of the combine at full capacity the export potential of the MPR will increase twofold. This will enable us to import twice as much equipment for the enterprises which are newly being built and are being modernized, agricultural machinery and other products.

Such an industrial giant as Erdenet will substantially increase the economic potential of the country. The combine will produce 40 percent of the amount of products, which all the industrial enterprises of Mongolia produced at the end of the last five-year plan. A new important step will thereby be taken in the solution of the program task set by the 15th MPRP Congress--to achieve the transformation of Mongolia into an industrial-agrarian state. The placement of the joint enterprise into operation will play an important role in the creation of the optimum national economic complex for our country, in the acceleration of the development and the increase of the efficiency of the MPR economy.

The significance of Erdenet for the further improvement of the social structure of our society is also great. For along with it a new detachment of the Mongolian working class and intelligentsia will grow. This means, as was indicated at the 17th MPRP Congress, that Erdenet is not only a gigantic construction project, but also a mighty forge for the training of a highly skilled labor force of workers and engineering and technical personnel. And we should say a great thank you for this to our Soviet friends. Without sparing either efforts or time, they are helping us to master new occupations, and above all those which are now especially necessary. Suffice it to say that in the past four years more than 10,000 Mongolian citizens have acquired construction specialties in 60 specializations.

In connection with this I would like to mention such celebrated Soviet construction workers as brigade leader of excavator operators Hero of Socialist



Labor Petr Ivanchenko, brigade leader of concrete workers Anatoliy Perever-taylo, brigade leader of an international brigade of masons Anatoliy Guri-novich, Honored Construction Worker of the RSFSR Petr Sytnikov and others.

At the various projects of the complex 14,000 construction workers and operators of the two fraternal countries are working together. These are the collectives of nearly 20 construction administrations, more than 200 shifts and in excess of 300 brigades. The international brigades and crews of "Nayramdal-Druzhba" are playing an important role in the education of the new generation of the Mongolian working class and in the formation in it of socialist ideology. The movement for their creation is being ex-panded.

Valerian Kobakhidze: One of the Largest in the World

Question: What indicators characterize the enterprise, what is its raw material base?

Answer: By its technical and economic indicators, the degree of supply of modern equipment, the level of automation and mechanization of the mining and dressing of the ore and, finally, the labor productivity the Erdenet Joint Mongolian-Soviet Enterprise will be among the first ten such enter-prises of the world. It will rank with such world-famous giants as the Almalyk, Dzhezkazgan and Balkhash giants in the USSR; the Arthur, Magna, Morenci, Sierrita and San Manuel in the United States; the Brand in Canada; the Chuquicamata and Sewel in Chile; the Toquepala in Peru.

When the entire combine is put into operation here, 16 million tons of cop-per and molybdenum ore will be mined and dressed here a year.

Machinery on the level of the best world models is being used to mine the ore at Erdenet. As an example it is possible to mention the EKG-8I and EKG-6 excavators, the SBSH-250 MN self-propelled rock drilling machines, the 200-hp pneumatic tire bulldozers, the BelAZ-548A and BelAZ-549 dump trucks. An automated control system of technological processes of the Karat system will be installed at the open-pit mine. Computer equipment will also be used extensively at the enterprise.

In conformity with the 1973 Soviet-Mongolian agreement the Soviet Union is ensuring the shipment of equipment to Erdenet. Today equipment and mate-rials from 172 cities of all 15 republics of the Soviet Union are coming to us in address of Erdenet, Bulgan Aymag, Mongolia. The orders of the enter-prise are being filled by 414 leading Soviet enterprises. Among them are Uralmash, the Novokramatorsk Machine Building Plant, the Leningrad Elektro-sila Production Association, the Dnepropetrovsk Mining Equipment Plant and others, which enjoy world fame.

Another important factor ensuring the great efficiency of the enterprise is the availability of reserves of raw materials in the immediate vicinity of it. As preliminary estimates indicate, half of the proven reserves of

copper in Asia (excluding the USSR) are concentrated at this unique deposit. Its content in the ore is 0.85 percent, that of molybdenum is 0.012 percent. These are very high indicators. For comparison let us say that at present deposits with a copper content, for example, of 0.3 percent are being worked.

To this it should be added that the length of the ore strip at Erdenet is 25 km, while its breadth is from 1.5 to 3 km. On this entire tract the mining is being carried out by the open-pit method. At present the depth of the test bore reaches 500 m, but even at this level the ore bed does not end. All this is making the project even more promising.

Question: On what principles does the joint enterprise operate and how is its managed?

Answer: The joint enterprise, like any other form of cooperation of the CEMA member countries, is based on the principles of socialist internationalism, that is, the respect of state sovereignty, independence and national interests, noninterference in the domestic affairs of countries, complete equality, reciprocity and comradely mutual assistance.

Let us illustrate this by examples. As is indicated in Article 1 of the Charter of the Mongolian-Soviet Joint Mining and Concentration Enterprise, it is a legal entity of the Mongolian People's Republic. This means that it carries out its activity in complete conformity with its legislation.

The participants of the joint enterprise are: on the Soviet side the USSR Ministry of Nonferrous Metallurgy, on the Mongolian side the MPR Ministry of Geology and the Mining Industry. Both sides enjoy identical rights and bear equal responsibility. This concerns all aspects of the activity of the enterprise, including participation in the creation of the authorized capital, the payment of matching contributions, expenditures connected with the operation of the enterprise, the distribution of the profit and so on.

The management of the joint enterprise is based on the same principles. Its management body--the council--consists of an equal number of representatives of both sides.

At the first stage five specialists each from the Soviet Union and Mongolia were included in the council. At present, when the tasks have become more complicated, there are seven each. The representatives of each of the two fraternal countries alternately chair the meetings of the council. A decision is considered adopted if both sides have supported it. This makes it possible to take into account the interests of both the enterprise as a whole and each of the participating countries.

So far seven meetings of the council have been held. Decisions on the creation of executive bodies were made at them, the General Directorate was formed, the general director and his deputies were appointed, the general directions of the activity of the enterprise were specified, the work plans

and financial plans were examined and approved, decisions were made on the creation of similar production and economic projects and others.

I was present at all the meetings of the council and can safely state: no matter what question was discussed, great or small, an atmosphere of true friendship and mutual understanding always reigns here. Both parties show a lively interest in the successful solution of the problems facing the enterprise and give each other comprehensive assistance. The same atmosphere reigns in all the links and subdivisions of the enterprise, at all its projects. And this is natural. The internationalistic principles of the activity of the enterprise cause the international unification of the workers.

Question: What problems is the General Directorate presently solving?

Answer: These problems are determined by the start-up period, which we have entered. For in conformity with the obligations assumed by the collective of construction workers the first section of the combine should be put into operation a month earlier than the planned date--26 November 1978.

Thus, we should be concerned that the construction workers receive in good time the equipment for its installation at the projects under construction, and particularly at the open-pit mine, the concentration factory and other main subdivisions of the combine. It is also necessary to provide the construction workers with the technical specifications for all the projects, at which operations still lie ahead, to accept the shops and units being turned over for operation and to set up their activity. Much work is being performed on the delivery to the combine of the materials, equipment and spare parts for its normal operation.

An important task is the provision of the project with a labor force of operators. In conformity with the staff schedule more than 1,000 Soviet and 1,600 Mongolian workers and engineering and technical personnel should work at the enterprise. By early 1978 more than 800 Mongolian comrades had already obtained a specialty. Many of them studied at leading Soviet enterprises: the Almalyk, Gay, Uchaly and Bashkir combines. They are displaying good examples of work, are fulfilling and overfulfilling the norms of output.

Today 52 percent of the workers performing stripping at the future mine are Mongolian citizens. Among them I would especially like to mention Baldandorj, a deputy of the MPR People's Great Hural and driver of a 40-ton BelAZ; Hishigt, the operator of an 8-m<sup>3</sup> excavator; Dash, an assistant excavator operator and others. They not only work independently, but are also teaching new occupations to their colleagues.

More than 1,000 people are being trained for work at the combine at universities, technical schools, vocational and technical schools and enterprises of the Soviet Union and Mongolia, as well as at the academic center of Erdenet. They are being trained for work not only at the first section of the combine, but also for the subsequent period.

In short, busy days lie ahead. But we are certain: we will honorably fulfill the tasks set by our parties and governments. The guarantee of this is the labor enthusiasm of the international collective of many thousands, which knows for what it is striving and how to achieve the set goal.

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## SOCIALIST ORGANIZATION OF MONGOLIAN AGRICULTURE DESCRIBED

East Berlin INTERNATIONALE ZEITSCHRIFT DER LANDWIRTSCHAFT in German  
Vol 22 No 6 1978 pp 539-542

[Article by D. Moyobuu, Candidate of Economics and director of the Sh. Sambuu Research Institute for Livestock Breeding and Veterinary Medicine: "The Socialist Reorganization of Mongolian Agriculture"]

[Text] Toward the end of 1979, the rural workers of Mongolia will celebrate the 20th anniversary of the victory of the cooperative movement. In this connection, the Central Committee of the Mongolian People's Revolutionary Party adopted a resolution concerning the festivities intended to mark the occasion of this memorable date.

Directed by its party and relying on the steadily increasing assistance and support of the Soviet Union, the Mongolian people implemented the party's policy--designed to promote the noncapitalist development of the country--and effected a radical democratic and socialist reorganization, including changes in agriculture, a sector essential to the national economy.

The socialist reorganization of agriculture is an objective necessity for every country embarking on the transition to advanced socialism. Although our country passed directly from feudalism to socialism, bypassing the capitalist stage, the socialist reorganization of agriculture in our country--just as in other countries--was effected through the consolidation of the individual farms into cooperatives and through the establishment of state enterprises. The transition from individual farm to cooperative proved difficult. In order to accomplish this task, the party and the government had to enable the individual farmers to satisfy themselves on the basis of concrete evidence that the future development of agriculture and consequently the elevation of its material and cultural level are possible only on the basis of socialist cooperation. Prior to the mass integration of individual farmers in cooperatives,

the party and the government of Mongolia took a number of measures intended to increase the farms' livestock production, to enable the farmers to increase their share of the market, to curb the development of capitalist elements, to raise the farmers' consciousness and to consolidate their alliance with the working class.

Due to the backwardness of the country at that time, the road toward victory of the cooperative system was difficult, long and complex. Serfdom was not abolished until a relatively short time ago. The liberation of the peasants from serfdom and the development of the country's productive forces did not begin until the revolution of 1921. The victory of the socialist revolution in Russia--one of the largest countries in the world, which bordered on backward Eastern colonial countries--enabled the oppressed peoples of these countries, including the Mongolian people, to attain independence and to follow a course of noncapitalist development. In prerevolutionary Mongolia, there was no industry nor a modern transport system, not to mention advanced agriculture. The rural workers were in bondage and without exception illiterate. Moreover, Mongolia was a theocratic state in which almost 50 percent of the male population lived in monasteries and did not do any productive work.

In this complex situation, the party developed the political activity of the masses in every conceivable way and directed it so as to undermine the political and economic positions of the feudal lords, to put an end to the economic domination of foreign capital and to restrict the capitalist elements within the country. The party directed the efforts towards the development of a new economy and culture. Of great importance in this connection was the establishment--aided by the Soviet Union--of the first domestic large-scale industrial enterprises, of the foundations of a modern transport and telecommunications system, of domestic trade and of a state finance and credit system. Under the direction of the party, the Mongolian people started at the beginning of the 1940's to establish the basic economic and cultural conditions necessary for a gradual transition to socialism. The principal objectives for the stage of socialist development were determined by the resolutions passed by the 10th Congress of the Mongolian People's Revolutionary Party, which took place at the beginning of 1940, and by the new party program adopted at that congress.

The 10th Congress of the Mongolian People's Revolutionary Party (March 1940) adopted a resolution concerning the encouragement of the farmers' private economic initiative in increasing livestock production and the granting of every conceivable support in the development and consolidation of--even modest--rural associations designed to promote the use of communal pastureland for livestock, to sink wells, to build stables and livestock shelters, etc. In regard to the consolidation of individual farms into cooperatives, the principle of voluntariness was observed. The congress prescribed concrete measures aimed at supporting these production associations (APV): Granting of preferential state credit, and establishment and development of state enterprises, namely horse and

hay-harvest stations and state farms. These measures contributed to the further development and consolidation of the APV. Simple forms of co-operation helped gradually to prepare the farmers for more comprehensive types of producer cooperatives.

The socialist reorganization of the agrarian sector of our country was based on the Leninist Plan for Cooperatives. Guided by this plan, the Mongolian People's Revolutionary Party directed our people's struggle for the establishment of the conditions necessary for effecting the revolutionary changes in agriculture and integrated the individual farmers in the various types of cooperation.

The first agricultural cooperatives [Arats' Production Associations] were small, economically weak enterprises. Toward the end of the first Five-Year Plan (1948 to 1952), there were 165 cooperatives in the country, which comprised approximately 9,000 farms and whose jointly owned livestock totaled 280,000.

Important measures aimed at the further development of the agricultural cooperatives were taken in accordance with the resolutions adopted at the 12th Congress of the Mongolian People's Revolutionary Party (November 1954).

In 1955, there took place the first cooperative farmers' congress at which the model statute for agricultural producer cooperatives (LPG) was confirmed. The congress was a great event for the farmers and gave new impetus to their work and their political activity.

During the second Five-Year Plan, the number of LPG increased to 678, and their membership to 152,000. The jointly owned livestock of the individual cooperative totaled approximately 7,700 animals.

The cooperative movement, which served the basic interests of the farmers, expanded rapidly. Thus the 13th Congress of the Mongolian People's Revolutionary Party (March 1958) entrusted the country with the historic task over the next few years to convince the majority of the individual farmers--while strictly observing the principle of voluntariness--of the advantages inherent in cooperatives.

During the stage of socialist revolution, the main thrust was directed toward the large-scale consolidation of individual farms into cooperatives, toward industrialization of the country, and toward further intensification of the socialist cultural revolution. In the agrarian sector, state farms, machine and livestock-production stations, and a veterinary service network were established, all well-supplied in regard to modern equipment and technology. An increasing number of well-trained specialists were employed in the agrarian sector. During this period, our socialist community underwent further development. With the aid of the Soviet Union and other socialist countries, our country developed its

industrial sector, a rail, road and air transport system, and a modern postal and telecommunications service.

In 1959, due to the tremendous efforts of the party, the process of co-operative development was more or less completed. Thus, one of the most difficult tasks of the socialist revolution--i.e. winning over the small agricultural producers to the cause of socialist development--was accomplished. This is a great historic victory of our party and of the entire Mongolian people.

From the beginnings of the general development of cooperatives until the present, the main objective has been the economic-organizational consolidation of the agricultural cooperatives. In December 1959, the plenary session of the Central Committee of the Mongolian People's Revolutionary Party (MPRP) examined these problems in detail. At the Central Committee plenum, it was pointed out that due to the completion of the process of cooperative development the socialist production relations were victorious in all of the economic sectors of the country and that the unqualified supremacy of socialist ownership of the means of production was assured in the entire national economy.

Since the beginning of the 1960's, our country has entered a new developmental phase. The new party program which was adopted by the 15th MPRP Congress in 1966 established the main objectives for this period as well as the ways of attaining them: Development and consolidation of the material-technological basis of socialism; improvement of the socialist production relations; continuous growth of material affluence, and steady elevation of the cultural level.

Since that time, the agricultural cooperatives of our country have covered a lot of ground in regard to the development and consolidation of the socialized economy. Of crucial significance in regard to this economic-organizational consolidation were the important measures taken by the party and the government in regard to the financial, economic and organizational support of the cooperatives and the consolidation of the material-technological basis of their social production, and the persistent efforts of the cooperatives' members. Lately, in order to strengthen the LPG economically and to raise their members' standard of living, the prices of the most important agricultural products were repeatedly raised, while the prices of tractors of various makes were cut by 17 to 33 percent, and the prices of fuel and gasoline, by 40 to 45 percent. Moreover, the state bore the transport costs for LPG fodder and also established a system of preferential prices for the above-plan sale of agricultural products to the state. In addition, the cooperatives were granted preferential credit, and an obligatory livestock and crop insurance was introduced. A great many cooperatives were released from the obligation to pay back short- and long-term loans; in some cases, repayment was deferred. Due to these measures, extra earnings in the agrarian sector during the last Five-Year Plan amounted to over 1.2 billion tugrik. Other



large-scale projects carried out at public expense included the irrigation of pasture land, the artificial insemination of livestock, and veterinary services for the cooperatives.

In order to consolidate the material-technological basis of socialized production in the agrarian sector, the machine haymowing stations (MHS) were reorganized and 35 new, technologically advanced machine stock-farming stations (MSFS) were established.

These stations played an important part in bringing to a successful conclusion the development of producer cooperatives and in their consolidation. The stations gave the cooperatives not only technical, but also organizational support: Their specialists helped the cooperative workers to start the collective production process, efficiently to organize the operations, and to establish a proper accounting and reporting system.

The MSFS greatly contributed to the development of tillage in the LPG. Aided by the MSFS, the cooperatives had since 1957 broken over 60,000 hectares of new ground. At the same time, thanks to the assistance rendered by the MHS and MSFS, the cooperatives gradually gained in economic strength and began themselves to acquire agricultural machinery. By now, they had their own specialists and machine operators; consequently, the LPG will increasingly be able to carry out a large number of operations, and eventually, all operations previously carried out by the MSFS.

In view of this situation, the MPRP Central Committee plenum of March 1969 passed a resolution decreeing the transfer of the MSFS to the agricultural cooperatives and the consolidation of their maintenance base.

The state took upon itself the tasks of searching for water resources, building wells and other water management installations, and promoting the mechanization of the water supply. Lately, the structure of basic assets has been changing. At the end of 1975, production structures and cultural and social facilities constituted 19.3 percent of the total basic assets; agricultural machinery, motor vehicles and other technology constituted 7.1 percent, and draft cattle and livestock, 63.9 percent. At the beginning of the cooperative movement, collective property consisted essentially of the jointly owned livestock, inventory and other assets; presently, the means of production purchased with the cooperative's capital or created in the LPG themselves through the members' joint efforts make up over 75 percent of the collective property.

In 1976, the basic assets of the LPG increased 7.3-fold, as compared to 1959; cash receipts increased 4.8-fold, and the members' wage fund, 4-fold. Due to the highly productive, modern technology which is being applied on an increasingly large scale, the energy supply of the cooperatives is steadily expanding.

Due to the expansion of the LPG's material-technological basis, the production of goods is steadily increasing. At present, the LPG's meat production constitutes 85 percent of the national output; as for wool, milk and butter, the corresponding figures are 74.6, 47.2, and 97 percent, respectively.

Thus the LPG are the prime producers of animal products. As a result of the efforts made to promote electrification in the agrarian sector, all LPG centers are now provided with electric power. Electricity is used for the necessities of life and for production purposes.

The party and the government have taken important measures intended to improve the planning of agricultural production and the agricultural recording system. Each LPG is assigned fixed production quotas--broken down by the individual years of the Five-Year Plan--for the sale of agricultural products to the state. A stable and economically grounded plan for buying up agricultural products contributes to the expansion of agricultural production in the LPG and to increased efficiency.

During the period from 1971 to 1975, state investments for the consolidation of the material-technological basis of agriculture increased 1.4-fold, as compared to the preceding Five-Year Plan. During this period, there were established a large-scale bio-combine, 7 state farms, 10 mechanized dairy farms, and 16,600 stables capable of holding 7.1 million sheep and goats and 600,000 heads of cattle. In addition, 7,000 watering places were set up--boosting the water supply for over 14 million hectares of pasture land--as well as 3 large and 44 smaller irrigation systems, distributed among several aymags. Feed production doubled.

The government and the Central Committee of the party took steps to improve the organization and remuneration of work and the organization of the LPG accounting and reporting system and to strengthen these sectors through the employment of qualified cadres and specialists. The management functions are in the hands of party and state functionaries, veterinary technicians, veterinarians, agronomists, accountants, and university-trained economists.

A large number of LPG members were given special training for work as brigade leaders, accountants, tractor and truck drivers, combine operators, veterinary assistants, sheep-shearing specialists, construction workers, etc.

At present, there are 250 LPG in the country, and each LPG has at its disposal an average of 450,000 hectares of arable land and 64,000 heads of jointly owned livestock. In addition, inter-cooperative enterprises have been established in 17 aymags. These enterprises provide services for the agricultural cooperatives in logging and transport operations, in the management of rest centers, in the construction of stables, in the joint development of arable land, etc. The establishment of enterprises in which several LPG have a share is a qualitatively new phenomenon which testifies to the fact that public ownership of producer goods which is characterized

by a higher level of socialist nationalization of the means of production can exceed the framework of the individual LPG.

Party and government measures aimed at consolidating the economic base of the LPG enabled the cooperatives to increase their cash receipts 1.5-fold during the fifth Five-Year Plan; the average remuneration of the members for cooperative work and the earnings from their private plots, by 27 percent, and the minimum pensions, by 33 percent. During this period, the production assets of the state farms and agricultural cooperatives increased 1.6-fold.

The following data illustrate the main developmental trends in the LPG during the period from 1970 to 1975. During this period, communally owned livestock increased by 7.7 percent; arable land, by 2.2 percent; the value of production assets, by 47 percent, and cash receipts, by 49.4 percent. Due to the economic-organizational consolidation and the development of cooperative production, the average size of the LPG increased considerably.

Lately, the party, state and agricultural organs and the cooperatives have put forth great efforts to improve the organization and remuneration of work in the cooperative enterprises: The remuneration of the LPG members has been arranged more satisfactorily and the workers are paid now with greater regularity.

The introduction of old-age insurance for LPG members represents a great improvement in the cooperative system. In accordance with the LPG statute, old-age, disability, and survivor's pensions--paid at LPG expense-- were introduced in 1967. In accordance with the labor protection regulations, the members also receive free work clothes.

The development and consolidation of the agricultural cooperatives have radically changed the character of our villages. The operating centers are being reorganized and production brigade centers are being established. Each LPG has its own elementary and high school, a maternity center, medical, paramedical and veterinary services, a hotel, a kindergarten, a club, a film projector, a D/F station, a swimming pool and a bakery. All LPGs are connected by telephone or radio with the aymag centers. Almost all of the LPG livestock production brigades have their own operating centers which comprise new office buildings, clubs, baths and storage rooms. In all of the livestock breeding brigades, there are retail stalls, and each brigade has a veterinary assistant; first-aid centers have been set up in approximately 50 percent of the brigades.

As a result of the growing economic strength and the economic-organizational consolidation of the agricultural cooperatives, the members' prosperity and cultural development are steadily increasing. Cooperative production has become the members' main source of income; in addition, the free child care in boarding schools, day-care centers and kindergartens, the availability of services and of cultural and social facilities, and the various subsidies

from the social funds serve to augment the income of the cooperative members.

The key indicators of the cultural advancement of the rural population are the rise of the general educational level, the mastery of various trades, and the improvements in the people's working and living conditions.

In the process of socialist construction, the intellectual character of the collective enterprises undergoes continuous transformation; socialist consciousness and collective awareness as well as the work performance and the readiness to help are developed and strengthened. The work in the cooperative sector really has come to be a matter of honor and glory, a matter of courage and heroism.

The state farms have played an important role in bringing the development of cooperatives to a successful conclusion. The state farms are socialist enterprises, and this is reflected above all in the socialist form of ownership of the means of production in their possession. In Mongolia, state farms were established on land nationalized as early as 1921. The first state farm was established in 1922; it produced bread and feed grain. The state farms came to be a school for the management of the collective economy.

The party and the government continue to focus their attention on the development of the state farms. Thanks to the steady care and support by the party and the government, the state farms have developed into genuinely socialist large-scale enterprises.

At present, there are 56 state farms and 12 feed units in the country. Each livestock- and crop-producing state farm has at its disposal an average of 300,000 hectares of agricultural area, including 15,000 hectares of arable land, 30,000 heads of cattle, 210 tractors (15 draw hook hp), 40 combines, etc. The average annual output of such an enterprise equals 7 million tugrik. The state farms account for 91.4 percent of the grain purchased by state agencies; for potatoes and vegetables, the corresponding figures are 98 and 96.5 percent, respectively. The state farms are now the cooperatives' main suppliers of livestock for breeding. The feed units' function is to produce the feedstuffs required to meet local as well as centralized state demand.

The measures taken by the party and the government and the persistent efforts of the agricultural workers during the last Five-Year Plan greatly furthered the development of agricultural production.

In comparison with the preceding five-year period, gross agricultural output increased by an average of 26.7 percent, while livestock increased by 1.8 million heads; most aymags exceeded the plan targets for livestock production. In spite of the fact that weather conditions were unfavorable in



the individual years, grain production during the last Five-Year Plan increased by an average of 47 percent, while the average potato and vegetable crops showed a 40 percent increase.

For the sixth Five-Year Plan (1976-1980), the 17th MPRP Congress established important targets concerning the further development of the country's socialist agrarian sector. In this sector, the party's main responsibility is to ensure further steady growth of livestock and crop production so as to satisfy the people's demand for foodstuffs and the raw material requirements of industry. During the current Five-Year Plan, agricultural output will increase by an average of 26 to 30 percent over the preceding Five-Year Plan, while the investment volume will increase by 31 percent. Through reclamation of land, the arable area of the country will be expanded by 35 to 40 percent. The plan provides for further increases in the output of meat, milk, wool and other animal products and in the production of grain, vegetables, potatoes and other produce.

To attain these objectives, our party gives priority to the following measures: Consolidation of the material-technological basis of livestock and crop production; implementation of concrete measures aimed at increasing economic efficiency and at improving the utilization of the basic assets of all agricultural enterprises, and attainment of the capacities planned for the newly established enterprises. The Central Committee of the party is very much concerned with the intensification of agricultural production, with the development of inter- and intra-cooperative specialization and cooperation, and with the establishment of specialized enterprises and installations. In view of the conditions prevailing in our country, a primary objective is to increase feed supplies. The key factors in regard to the fulfillment of the economic plans are the improvement of farm operations and of the methods of agricultural production management and the education of the agricultural workers in a spirit conducive to the development of the socialist society in our country.

Our nation is presently implementing the resolutions adopted at the 17th Congress of the Mongolian People's Revolutionary Party. All agricultural enterprises are fervently engaged in socialist competition.

Together with the working class and the intelligentsia, the Mongolian farmers will enthusiastically be celebrating the 20th anniversary of the victory of the Leninist Cooperative Plan in our country.

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